

H.840

Introduced by Representatives Manwaring of Wilmington, Berry of

Manchester, Bissonnette of Winooski, Browning of Arlington,

Deen of Westminster, Eastman of Orwell, Huntley of

Cavendish, LaLonde of South Burlington, Lucke of Hartford,

Russell of Rutland City, Sibilia of Dover, Stevens of

Waterbury, Stuart of Brattleboro, and Walz of Barre City

Referred to Committee on

Date:

Subject: Education; funding; Education Fund Outlook; publication; unfunded

mandates

Statement of purpose of bill as introduced: This bill proposes to require

statutorily that: (1) an official copy of the Education Fund Outlook be prepared

and published each fiscal year by the Joint Fiscal Office and reviewed annually

by the Emergency Board, and (2) the Education Fund Outlook include the total

amount of new unfunded mandates.

An act relating to the Education Fund Outlook

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 Sec. 1. 32 V.S.A. § 5402b is amended to read:

3 § 5402b. STATEWIDE EDUCATION TAX YIELDS;

4 RECOMMENDATION OF THE COMMISSIONER

5 (a) Annually, no later than December 1, the Commissioner of Taxes, after
6 consultation with the Secretary of Education, the Secretary of Administration,
7 and the Joint Fiscal Office, shall calculate and recommend a property dollar
8 equivalent yield, an income dollar equivalent yield, and a nonresidential
9 property tax rate for the following fiscal year. In making these calculations,
10 the Commissioner shall reference the Education Fund Outlook, described in
11 subsection (c) of this section, and shall assume:

12 (1) the homestead base tax rate in subdivision 5402(a)(2) of this title is
13 \$1.00 per \$100.00 of equalized education property value;

14 (2) the applicable percentage in subdivision 6066(a)(2) of this title
15 is 2.0;

16 (3) the statutory reserves under 16 V.S.A. § 4026 and this section were
17 maintained at five percent; and

18 (4) the percentage change in the median education tax bill applied to
19 nonresidential property, the percentage change in the median education tax bill
20 of homestead property, and the percentage change in the median education tax

1 bill for taxpayers who claim an adjustment under subsection 6066(a) of this
2 title are equal.

3 (b) For each fiscal year, the General Assembly shall set a property dollar
4 equivalent yield and an income dollar equivalent yield, consistent with the
5 definitions in this chapter.

6 (c) Annually, on or before December 1, the Joint Fiscal Office shall prepare
7 and publish an official, annotated copy of the Education Fund Outlook. The
8 Emergency Board shall review the Outlook at its January meeting. As used in
9 this section, "Education Fund Outlook" means the projected revenues and
10 expenses associated with the Education Fund, established in 16 V.S.A. § 4025.

11 Sec. 2. 16 V.S.A. § 4028(e) is added to read:

12 (e) On or before December 1 of each year, the Joint Fiscal Office shall
13 determine the total amount of new unfunded mandates imposed on supervisory
14 unions and school districts for the coming fiscal year and include this amount
15 as a separate line item in an Education Fund Outlook. As used in this section:

16 (1) "Education Fund Outlook" means the projected revenues and
17 expenses associated with the Education Fund established in section 4025 of
18 this title.

19 (2) "Unfunded mandate" means a State statute or State regulation that
20 requires a supervisory union or school district to perform certain actions, but
21 with no money or funding mechanism in place for fulfilling the requirement.

1 An “unfunded mandate” shall not mean the annual assessment pursuant to
2 section 1944d of this title.

3 Sec. 3. EFFECTIVE DATE

4 This act shall take effect on July 1, 2016.